

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W.R. GRACE & CO., <i>et al.</i>, Debtors.	§ § § § § §	Chapter 11 Jointly Administered Case No. 01-01139 (KJC)
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**FEE AUDITOR'S FINAL REPORT REGARDING THE FINAL APPLICATION
FOR APPROVAL OF REIMBURSEMENT OF EXPENSES OF THE MEMBERS
OF THE OFFICIAL COMMITTEE OF ASBESTOS PERSONAL INJURY
CLAIMANTS FOR THE PERIOD OF APRIL 13, 2001 THROUGH FEBRUARY 3, 2014**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Final Application for Approval of Reimbursement of Expenses of the Members of the Official Committee of Asbestos Personal Injury Claimants for the Period of April 13, 2001 through February 3, 2014 (the "Application").

BACKGROUND

1. The Official Committee of Asbestos Personal Injury Claimants (the "Committee") was formed on April 12, 2001 to represent the interests of the asbestos personal injury claimants in these cases. In the Application, the Committee seeks final approval of expenses totaling \$35,944.02¹ for its services from April 13, 2001 through February 3, 2014 (the "Final Application Period"). The \$35,944.02 for which final approval is sought was incurred by the following Committee Members:

Goldberg, Persky & White – \$1,882.98;

¹We note that the total of the expenses requested in the Committee's 15 prior fee applications is \$49,207.79. It appears that the Committee has deducted from this amount all of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 3, to arrive at the figure it seeks of \$35,944.02. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

Cooney & Conway – \$2,075.29;

Kazan, McClain, Abrams, Fernandez, Lyons & Farrise (f/k/a Kazan, McClain, Edises, Simon & Abrams) – \$3,304.65;

Motley Rice, LLC (f/k/a Ness Motley) – \$24,511.20;

Baron & Budd, P.C. – \$1,298.08; and

McGarvey, Heverling, Sullivan & McGarvey, P.C. – \$2,871.82.

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2014, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the “U.S. Trustee Guidelines”), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We have no issues with, or objections to, the Application, and thus we did not send an initial report to the Committee.

DISCUSSION

Prior Interim Applications

3. We note that we previously filed the following final reports for the Committee’s prior interim applications, which final reports we incorporate by reference herein, and we also note the following orders that ruled on the Committee’s prior interim fee applications:

5th Period: Fee Auditor’s Final Report Regarding Application of the Official Committee

of Asbestos Personal Injury Claimants for the Fifth Interim Period (Docket 2930), filed on or about November 4, 2002, in which we recommended approval of expenses totaling \$7,725.73, reflecting our recommended reduction of \$315.10 in expenses, as further explained in paragraph 4 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fifth Period, dated November 25, 2002 (Docket #3092).

6th Period: Fee Auditor's Final Report Regarding Application of the Official Committee of Asbestos Personal Injury Claimants for the Fifth Interim Period (Docket #3393), filed on or about February 13, 2003, in which we recommended approval of expenses totaling \$3,831.26, reflecting our recommended reduction of \$351.58 in expenses, as further explained in paragraphs 8 and 9 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Sixth Period, dated March 14, 2003 (Docket #3511).

7th Period: Fee Auditor's Final Report Regarding Application of the Official Committee of Asbestos Personal Injury Claimants for the Seventh Interim Period (Docket #3628), filed on or about April 7, 2003, in which we recommended approval of expenses totaling \$1,298.08. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Seventh Period, dated July 28, 2003 (Docket #4157).

15th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications

with No Fee or Expense Issues for the Fifteenth Interim Period (Docket #8561), filed on or about June 6, 2005, in which we recommended approval of expenses totaling \$235.66. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Fifteenth Period, dated June 29, 2005 (Docket #8728).

18th Period: Fee Auditor's Final Report Regarding Application for Approval of Reimbursement of Expenses of the Members of the Asbestos Personal Injury Claimants Committee for the Eighteenth Interim Period (Docket #17040), filed on or about October 11, 2007, in which we recommended approval of expenses totaling \$610.25. This application was not included in any order submitted to the Court, and thus has never been approved.

21st Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-First Interim Period (Docket #13963), filed on or about December 8, 2006, in which we recommended approval of expenses totaling \$801.19. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-First Period, dated December 19, 2006 (Docket #14069).

23rd Period: Fee Auditor's Final Report Regarding Application for Approval of Reimbursement of Expenses of the Members of the Asbestos Personal Injury Claimants Committee for the Twenty-Third Interim Period (Docket 15971), filed on or about June 6, 2007, in which we recommended approval of expenses totaling \$1,630.47, reflecting our recommended reduction of

\$565.34 in expenses, as further explained in paragraphs 3 and 4 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Third Period, dated June 20, 2007 (Docket #16105).

25th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Fifth Interim Period (Docket #17542), filed on or about December 4, 2007, in which we recommended approval of expenses totaling \$1,770.24. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Fifth Period, dated December 13, 2007 (Docket #17629).

26th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Sixth Interim Period (Docket #18176), filed on or about February 29, 2008, in which we recommended approval of expenses totaling \$420.10. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Sixth Period, dated March 12, 2008 (Docket #18270).

27th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Seventh Interim Period (Docket #18887), filed on or about June 9, 2008, in which we recommended approval of expenses totaling \$1,560.45. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Seventh Period, dated June 23, 2008 (Docket #18989).

- 28th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Eighth Interim Period (Docket #19535), filed on or about September 15, 2008, in which we recommended approval of expenses totaling \$4,638.12. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Eighth Period, dated October 1, 2008 (Docket #19663).
- 29th Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Twenty-Ninth Interim Period (Docket #20150), filed on or about November 26, 2008, in which we recommended approval of expenses totaling \$1,577.46. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Twenty-Ninth Period, dated December 17, 2008 (Docket #20283).
- 30th Period: Fee Auditor's Final Report Regarding Expense Application of the Official Committee of Asbestos Claimants for the Thirtieth Interim Period (Docket 20928), filed on or about March 6, 2009, in which we recommended approval of expenses totaling \$9,635.01, reflecting our recommended reduction of \$12,035.00 in expenses, as further explained in paragraph 3 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirtieth Period, dated April 2, 2009 (Docket #21173).
- 31st Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-First Interim Period (Docket

#22047), filed on or about June 10, 2009, in which we recommended approval of expenses totaling \$120.00. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-First Period, dated July 7, 2009 (Docket #22354).

33rd Period: Fee Auditor's Combined Final Report Regarding Those Fee Applications with No Fee or Expense Issues for the Thirty-Third Interim Period (Docket #23927), filed on or about December 3, 2009, in which we recommended approval of expenses totaling \$90.00. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Thirty-Third Period, dated December 11, 2009 (Docket #23996).

4. We have reviewed the final reports and orders allowing fees and expenses for the prior interim periods, and we do not believe there is any reason to change any of the amounts awarded for the prior interim periods, except for the Eighteenth Interim Period. As noted in the previous paragraph, the Committee's expenses of \$610.25 for the Eighteenth Interim Period were not included in any of the orders which have been submitted to the Court, although we recommended approval of these expenses. The Committee's final expense request includes these expenses, so no further adjustment to the Committee's final expense request is necessary to correct this oversight.

CONCLUSION

5. Thus, we recommend final approval of \$35,944.02² in expenses for the Committee's

²We note that the total of the expenses requested in the Committee's 15 prior fee applications is \$49,207.79. It appears that the Committee has deducted from this amount all of the reductions ordered by the Court for the prior periods, which periods are discussed in more detail in paragraph 3, to arrive at the figure it seeks of \$35,944.02. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

services for the Final Application Period, of which:

\$1,882.98 is for the services of Goldberg, Persky & White;

\$2,075.29 is for the services of Cooney & Conway;

\$3,304.65 is for the services of Kazan, McClain, Abrams, Fernandez, Lyons & Farrise;

\$24,511.20 is for the services of Motley Rice, LLC;

\$1,298.08 is for the services of Baron & Budd, P.C.; and

\$2,871.82 is for the services of McGarvey, Heverling, Sullivan & McGarvey, P.C.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.



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FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 29th day of July, 2014.

A handwritten signature in blue ink, appearing to read "W-H Smith", is positioned above a horizontal line.

Warren H. Smith

SERVICE LIST

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